



**HOUSE OF COMMONS
LONDON SW1A 0AA**

Sadiq Khan
Mayor of London
City Hall
Kamal Chunchie Way
London
E16 1ZE

11 October 2022

Dear Mr Mayor

RE: ULEZ and the impacts on small businesses in Dagenham and Rainham & Hendon

We write to you today in our capacity as Members of Parliament in outer-London constituencies that will be adversely affected by the proposed extension of the Ultra-Low Emission Zone (ULEZ).

A recent FSB survey showed that 84 per cent of businesses oppose the proposal to expand the zone.

When you announced the policy to expand the ULEZ in April 2017 you provided a two-year lead in time for the Central London area and a four-and-a-half-year lead in time for the North-South Circular changes. However, this extension to the wider outer London area only provides a one-year lead in time for members in our constituency. Furthermore, the timing could not be worst with a cost of doing business crisis facing many micro and small businesses.

Small businesses in our joint constituencies of Hendon & Dagenham and Rainham, recognise the need for change, but the current proposal adds extra costs and extra administration without creating sustainability, adding value, or creating an opportunity to prosper.

The FSB survey also showed that for those businesses whose vehicle(s) do not comply – 25 per cent intend to pass charges on to customers, which will create further inflationary pressures; and 18 per cent said they would close their business.

The £23million Micro-business Diesel Scrappage Scheme for the previous extension was very welcome by business and we are keen to work with your team and HM Treasury Officials to make the case for an even greater vehicle scrappage scheme this time around.

We support FSB's call for a 'no charge' period until at least 29th August 2024. Implementing this measure will create a similar lead in period to previous zone extensions. This will lead to breathing room for small businesses at a time when the pressures are piling on.

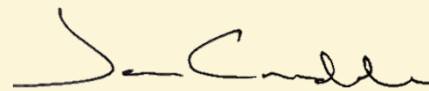
We also urge you to investigate the FSB's call for the creation of a project bank account for any small business paying the charge from August 2023 to August 2025. The funds would be protected in a TfL ULEZ Bank Account, and a business would be able to use the funds towards purchasing a new or second hand-vehicle – subject to an upper limit. If the fund is unspent then the money will go to TfL. This protects the integrity of the aims of ULEZ and will help those who are forced to buy an interim compliant vehicle only because their preferred EV vehicle is not yet available.

We must find ways to make this initiative work for small businesses without it negatively affecting too many small and vulnerable businesses. A change of policy is needed, and we stand ready to support those efforts.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M. Offord'.

MATTHEW OFFORD MP
Member of Parliament for Hendon

A handwritten signature in black ink, appearing to read 'Jon Cruddas'.

JON CRUDDAS MP
Member of Parliament for Dagenham and Rainham